

Announcement # 25-90

Date: September 16, 2025

Funding for USDA Rural Housing 2026 Fiscal Year

On September 8th, 2025, the USDA released the Fiscal Year 2026 Conditional Commitment Notice, announcing that funding for the USDA Rural Housing Loan Program will be temporarily unavailable beginning October 1, 2025.

Fiscal year 2026 begins October 1, 2025, and ends at the close of business September 30, 2026. The guaranteed loan program is unavailable for a brief period at the beginning of each fiscal year. During this temporary lapse in funding, USDA Rural Development will issue Conditional Commitments "subject to the availability of commitment authority" for purchase and refinance transactions.

Pennymac will continue to purchase USDA Rural Housing loans with Conditional Commitments that are subject to the availability of commitment authority. Correspondents must ensure all standard Reps and Warrants, and underwriting requirements are met. The Loan Note Guaranty will be required as a post-purchase stipulation.

As a reminder, all loans obligated by USDA Rural Housing on or after October 1, 2025, will continue to require an upfront guarantee fee of 1% accompanied by an annual fee of 0.35% , applicable to all Rural Housing transactions.

Please contact your Sales Representative with any questions.